

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	No. 24 C 2033
v.)	
)	Judge Kendall
WILLIAM A. KOWALSKI,)	
)	
Defendant.)	

COMPLAINT

The United States of America, by Morris Pasqual, Acting United States Attorney for the Northern District of Illinois, brings this action against William A. Kowalski for damages under the common law theory of conversion.

Jurisdiction and Venue

1. This court has jurisdiction over this matter pursuant to 28 U.S.C. § 1345.
2. Venue is proper in the Northern District of Illinois pursuant to 31 U.S.C. § 3732(a), 28 U.S.C. § 1391(b), and 28 U.S.C. § 1395(a).

Parties

3. The plaintiff is the United States of America on behalf of the Federal Deposit Insurance Corporation (“FDIC”), an agency of the United States government.
4. Defendant William A. Kowalski (“Kowalski”) is a domiciliary of the State of Illinois.

Factual Background

5. Washington Federal Bank for Savings (Washington Federal) was a savings association located in Chicago, Illinois. At all times relevant, the deposits of Washington Federal were insured by the FDIC.

6. The FDIC as receiver succeeds to the bank's right to obtain payment/restitution from defendant William Kowalski. *See* 12 U.S.C. 1821(d)(2)(A) ("The Corporation shall, as conservator or receiver, and by operation of law, succeed to—(i)all rights, titles, powers, and privileges of the insured depository institution").

7. Defendant William A. Kowalski had an ownership interest in and engaged in the acquisition of real estate through entities with which he was associated, including Market Street Properties, LLC, Sheffield Development Company, Piorun Properties LLC, Inflexible LLC, Invincible LLC, and Grom Development LLC.

8. Beginning in or around at least 2007 and continuing until in or around at least 2008, at Chicago, William A. Kowalski, Robert M. Kowalski, and Individual A knowingly conspired to embezzle money from Washington Federal, with intent to injure and defraud the bank.

9. Specifically, William A. Kowalski, Robert M. Kowalski, and Individual A embezzled at least \$190,000 for the purchase of a Sea Ray 420 Sundancer boat named "Expelliarmus" ("the Sea Ray boat"). As set forth in the admissions Mr. Kowalski made in as part of his Pre-Trial Diversion Agreement in the case *United States v. William A. Kowalski*, 19 CR 226 (NDIL) (the "Agreement"), Mr. Kowalski, in conjunction with Robert Kowalski and Individual A, converted \$190,000 of Washington Federal funds to purchase a Sea Ray boat for personal use.

10. As part of the Agreement, Mr. Kowalski agreed to joint and several liability to repay \$190,000 to the FDIC. His balance as of February 2, 2024, is \$181,000.

Conversion

11. The United States repeats and realleges each allegation set forth above in paragraphs 1 through 10 as if set forth fully herein.

12. Washington Federal made a check payable to William A. Kowalski in the amount of \$190,000, despite the fact that he had not executed any documents of the type necessary to

legitimately borrow or otherwise obtain such funds from Washington Federal.

13. William A. Kowalski wrongfully and without authorization converted that the check for his own benefit and use, namely purchasing the Sea Ray boat.

14. That upon the failure of Washington Federal, the Federal Deposit Insurance Corporation bore the cost of that conversion in the amount of \$190,000.

Claim For Relief

WHEREFORE, the United States demands judgment against the defendant judgment against defendant single damages in the amount of \$190,000 and any such further relief as the court deems appropriate.

Respectfully submitted,

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